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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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June 1, 1998

Ms. Magalie Roman Salas, Secretary
Federal Communications Commission
1919 M Street NW Room 222
Washington DC 20554

In the Matter of:

| | | |
|--|---|---------------------|
| Performance Measurements and Reporting |) | |
| Requirements for Operations Support |) | CC Docket No. 98-56 |
| Systems, Interconnection, and Operator |) | RM 9101 |
| Services and Directory Assistance |) | |
| |) | |

Dear Ms. Salas,

Enclosed are an original and nine copies plus two public copies of the Comments of Cincinnati Bell Telephone Company in the above referenced proceeding. A duplicate original copy of this letter and attached Comments is also provided. Please date stamp this as acknowledgment of its receipt and return it. Questions regarding these Comments may be directed the undersigned at the above address or by telephone on (513) 397-1393.

Sincerely,

David L. Meier

Enclosure:

CC: International Transcription Service, Inc
Janice Myles, Common Carrier Bureau (paper copy and diskette)

0211

**Before The
Federal Communications Commission
Washington, D.C. 20554**

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| Performance Measurements and |) | |
| Reporting Requirements for Operations |) | CC Docket No. 98-56 |
| Support Systems, Interconnection, and |) | RM-9101 |
| Operator Services and Directory |) | |
| Assistance |) | |

COMMENTS OF CINCINNATI BELL TELEPHONE COMPANY

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SUMMARY

In this NPRM the Commission is proposing a large set of measurements to monitor ILEC performance in providing CLECs access to various support systems. CBT opposes implementation of the rules proposed in this NPRM. In CBT's experience, the contract negotiation process has been successful in establishing reasonable and practical performance and reporting measurements. The Commission's proposed rules would upset the negotiated balance already established in interconnection agreements. For the Commission to impose additional requirements would also be contrary to its goal of reducing regulation.

To implement new and burdensome requirements merely on speculation that violations *could* occur in the absence of regulation is bad business practice. Consumers will not benefit from these measuring and reporting requirements, which will unquestionably add real costs for the consumer.

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Small and mid-size companies should not be saddled with undue regulatory burdens that impose disproportionate costs and inhibit their ability to compete. The FCC should recognize the limitations of smaller companies in its regulatory efforts. There would be far more cost than benefit for companies with small volumes of activity to comply with the measurements and it is unlikely that much of the data would be valuable in determining whether carriers are receiving parity. The proposed measurements and reporting requirements are excessively detailed and burdensome, resulting an excessive number of reporting categories.

CBT details in Exhibit A its comments on the specific proposed measurements. CBT does not have the measuring capability to capture much of the data that would be required by these rules and it could cost millions of dollars and take substantial effort to implement such systems. These costs are largely fixed and are much more onerous on smaller companies who have to recover these costs from much smaller customer bases. Some of the proposed measurements are not valid indicators of discrimination and some measures are skewed in favor of CLECs. It would not be productive to measure certain others. The Commission should not impose new measurements that ILECs do not provide for themselves.

CBT agrees that there should be safe harbor rules but doubts that a purely statistical rule would provide adequate protection for smaller companies. The Commission should establish a presumption, based upon § 251(f)(2) of the Act, that monitoring is unduly burdensome on companies with less than 2% of the nation's subscriber lines. Such ILECs should have no reporting requirements, except, upon

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COMMENTS OF CINCINNATI BELL TELEPHONE COMPANY

INTRODUCTION

1. Cincinnati Bell Telephone ("CBT"), an independent, mid-size local exchange carrier, submits these Comments in response to the Commission's April 16, 1998 Notice of Proposed Rulemaking in the above-captioned proceeding. In this proceeding the Commission seeks "to promote efficient competition between incumbent carriers and new entrants by exploring methods designed to measure the performance of incumbent carriers in providing access to OSS functions."¹ CBT is particularly pleased by the Commission's request for specific comment on how to minimize the costs and burdens that the proposed performance measurements and reporting requirements will impose on small, rural or mid-sized incumbent LECs.²

¹ Notice of Proposed Rulemaking, In the Matter of Performance Measurements and Reporting Requirements for Operations Support Systems, Interconnection, and Operator Services and Directory Assistance, FCC 98-72, CC Docket No. 98-56 (April 16, 1998) at ¶ 17 (hereinafter "NPRM at ¶ ____").

² NPRM at ¶¶ 3, 131. CBT anticipates that the Commission may receive relatively few

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2. CBT would echo the comments of those parties that argue that the Commission does not have jurisdiction to establish OSS rules. Interconnection agreements are within the primary jurisdiction of the state commissions, who are called upon to arbitrate such agreements when the parties reach impasse. In addition, states have their own particular performance standards to which carriers operating in those states must comply. States must be free to modify any reporting standards to meet the substantive requirements for conducting a telecommunications business in that state. Model federal rules would likely need significant adaptation to match state performance standards. CBT believes the states have jurisdiction to determine these matters and would urge the Commission not to legislate on the subject.

3. CBT agrees that the Commission should not implement mandatory rules. At best, the Commission might establish model rules that States may choose whether to adopt. ILECs are subject to varying state minimum telephone service standards, and measurements have historically been developed in order to track functions relevant to compliance with those standards. The Commission should not impose standards that require ILECs to measure items in a manner different from or in addition to what the states already require. Even model rules should incorporate enough flexibility to accommodate the various systems used by smaller LECs. The rules should be adaptable to various situations; not all carriers should be required to report the same data if the

comments from smaller companies in this proceeding. CBT would express the view that this is not because of the lack of interest by smaller companies in the topic or because rules of the type contemplated herein would not have a significant impact on them, but, rather, is symptomatic of the limited resources available to such companies to participate

burden to accumulate the information exceeds the benefit.

I. Smaller Companies Should Not Be Burdened With Excessive Reporting Requirements

4. CBT is one of the companies with less than 2% of the nation's subscriber lines, as defined by Congress in § 251(f)(2) of the Telecommunications Act of 1996³ ("the Act"), and was eligible to seek suspension or modification of certain requirements of the Act. In December 1996, CBT filed a request with the PUCO requesting deferral of its obligation to provide CLECs with full access to OSS systems by January 1, 1997. The basis for this request was the difficulty for a company of the size of CBT to efficiently provision for multi-user access to OSS. Unlike the large companies, CBT did not have the scale and scope necessary to efficiently develop automated access to OSS systems. CBT had a mixture of legacy systems, many of which were customized for CBT alone, which were not amenable to access by other companies. Vendors were not immediately producing systems that could economically be adapted to CBT's particular situation. Although CBT was committed to finding solutions to these problems, it needed additional time in which to do so.

5. CBT's request was met by opposition from CLECs, who demanded that CBT be ordered to fully comply with the requirement to provide CLECs with access to CBT's OSS by January 1, 1997, even though no CLEC had an interconnection agreement with CBT. The PUCO deferred its decision on this request to individual arbitration cases.

in proceedings of this type.

³ 47 U.S.C. § 251(f)(2).

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Ultimately, in August 1997, the PUCO denied CBT's request for deferral, and required CBT to provide access to most OSS pre-ordering, ordering and provisioning interfaces by October 1, 1997, and access to repair systems by June 1, 1998. CBT has complied with the schedule as ordered by the PUCO and has now implemented all of these systems on the applicable dates.

6. Unfortunately, despite CBT's enormous efforts to implement gateway systems and its investment of millions of dollars in new OSS systems, no CLEC has chosen to use these systems to date. The CLEC that was most insistent upon CBT complying with the OSS implementation schedule, and which arbitrated these issues, continues to submit orders to CBT manually by fax machine. While this practice may change at some future date, this background information illustrates why CBT is skeptical of the benefits to be derived from a massive measurement and reporting mechanism designed to determine the effectiveness of systems that no CLEC has even begun to use.

7. CBT is concerned with the costs and burdens which would be required if CBT and other smaller companies are required to comply with numerous and onerous measurement and reporting requirements. CBT and other smaller companies are currently involved in opening their markets to competition, implementing interconnection and billing systems, CALEA, CPNI, LNP,⁴ and addressing Year 2000 problems, as well as complying with many other State and Federal requirements. In particular, the two CBT employees who would have been able to estimate specific costs, expenses and time requirements to comply with the proposed measurements and reporting, are nearly totally

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dedicated to ensuring that CBT's OSS Maintenance and Repair system is ready by June 1, 1998, the same date required for submission of CBT's Comments. This is mentioned as an indication of the limited resources available to smaller companies to consider new programs. The compound effect of normal business demands and new interconnection and other regulatory requirements have taxed these limited resources to their limit. Often the technical expertise to evaluate an NPRM or install an OSS system in the smaller companies resides in one or two critical people.

8. CBT believes that it would be a substantial waste of resources to require LECs to measure every conceivable aspect of how ILECs provision services to CLECs. As discussed below, the interconnection agreements that CBT has negotiated and/or arbitrated with CLECs provide for measurement of and reporting on certain functions that the particular CLEC felt were significant to it and that CBT agreed would be reasonable to measure and report upon. It would be an unnecessary academic exercise to require measurement of additional things that CBT and CLECs have not negotiated. Such reporting is not without cost, and should not be imposed upon ILECs without strong evidence that the benefits obtained outweigh those costs. In CBT's experience, there would be minimal benefit, but substantial cost.

9. In addition, CBT believes that the type of measurement and reporting systems envisioned by the Commission would only be useful where there are a significant number of routine transactions that would form a statistically significant basis for comparison. Even though there are a number of active competitors with interconnection agreements in

⁴ CBT was the first Company in the State of Ohio to have LNP available.

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CBT's service area, smaller carriers such as CBT are unlikely to experience a steady volume of activity sufficient to generate meaningful statistics in a variety of diverse categories. Hence, with smaller ILECs, outliers may be more common and could cause significant skewing of statistical results. This would not implicate discrimination but only be a product of the small amount of relevant data. With the small amounts of data in each measuring category, it is unlikely that statistical data would be valuable to determine whether carriers are receiving parity. At that level of activity, anecdotal evidence of specific instances may be of more value in determining whether the ILEC is satisfying its parity obligations. Such information would not be developed under the Commission's proposed reporting system. CBT believes that there would be far more cost than benefit for companies with a small volume of CLEC activity to comply with the various measurements contained in the proposed rules.

II. Model Rules Are Not Required

10. The Commission has adopted goals to streamline and/or eliminate regulations. The Commission should work towards these goals and not impose additional measurement and reporting requirements beyond what the CLECs have negotiated in their interconnection/resale contracts. Currently, CBT has reached interconnection/resale agreements with seven CLECs. Each of these agreements contains measurement and reporting requirements, and none of the CLEC requirements are exactly the same. In each case, CBT and the other party were able to negotiate acceptable reporting and measurement requirements. While CBT has arbitrated several interconnection

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agreements where the parties could not agree on all issues, none of these agreements required arbitration of measurement or reporting requirements by a state commission. This proves that the negotiation process contemplated by Congress in § 251 of the Act does work. It also substantiates Commissioner Furchtgott-Roth's comment in his dissenting statement: "I have seen no evidence with respect to OSS that the process of negotiating private contracts with State arbitration under Section 252 is not working. To the extent that OSS is of interest to a party, it can negotiate those terms in an interconnection agreement. To the extent a party cannot successfully negotiate terms and conditions for OSS privately, it can seek State arbitration."⁵

11. Commissioner Furchtgott-Roth was also correct in stating, "Free Markets Do Not Rely on Regulation."⁶ The Act was intended to be deregulatory in nature; Congress intended the parties to work out differences subject to the § 252 arbitration process. Moreover, due to their size and scope, smaller companies do not have an advantage in the negotiation process over larger, better capitalized, national and/or international competitors. The Commission needs to continue to be aware of and recognize the special requirements and limitations of the smaller companies in all of its regulatory initiatives. It is in the public interest that small and mid-size companies be allowed to compete in their markets unshackled by excessive regulation and reporting requirements.

12. The current contract negotiation process is working. To implement new and burdensome requirements merely on speculation that violations might occur in the

⁵ Furchtgott-Roth Dissent, Page 2.

⁶ Furchtgott-Roth Dissent, Page 1.

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absence of regulatory control is bad practice for competitive businesses. As Commissioner Powell stated recently, the tendency is to "speculate about possible anticompetitive effects and then adopt policies intended to protect new entrants and consumers from them. We often actually handicap the market and postpone the arrival of competition and consumer choice."⁷ ILECs would be required to add personnel to perform the measurement and reporting functions, which will increase the cost of providing service. It is unclear how ILECs will be able to recover these costs and CLECs have not been volunteering to pay for them. However the industry allocates these costs amongst itself, the consumer will ultimately have to bear them. The Commission really needs to ask how consumer welfare will benefit from any requirements before imposing new regulations.

13. CBT is also concerned that the Commission's proposed rules would upset the negotiated balance established in interconnection agreements. CBT negotiated various aspects of how services would be provisioned for CLECs, including certain service intervals and measurements. CBT voluntarily inserted certain provisioning intervals in its interconnection agreements in lieu of elaborate parity measurements such as those suggested in the NPRM. Should the Commission issue rules establishing different and additional measurements, the benefits of CBT's negotiated agreements could be overridden. The Eighth Circuit recognized in Iowa Utilities Board v. FCC⁸ that

⁷ Speech of Commissioner Michael K. Powell before the Legg Mason Investor Workshop, Washington, D.C. on March 13, 1998.

⁸ 120 F.3d 753 (8th Cir. 1997).

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negotiated agreements represent a balancing of interests. For the Commission to impose rules designed to benefit only CLECs would disregard the considerations CLECs obtained in negotiation in exchange for whatever agreement was reached on intervals and measurements.

III. The Proposed Measurements and Reporting Requirements Are Excessively Detailed and Burdensome.

14. The Commission proposes measurements for each of the five OSS functions, as well as for interconnection and OS/DA.⁹ OSS was broken down into five functions: (1) preordering; (2) ordering; (3) provisioning; (4) maintenance and repair; and (5) billing.¹⁰ Each of the proposed OSS measurements is further broken down in terms of timeliness, quality and accuracy.¹¹ The Commission also seeks comment on how reporting should be broken down geographically.¹² Finally, the Commission tentatively concludes that an incumbent LEC should report separately on its performance as provided to: (1) its own retail customers; (2) any of its affiliates that provide local exchange service; (3) competing carriers in the aggregate; and (4) individual competing carriers.¹³

15. Appendix A of the NPRM specifies the various measurements the Commission proposes. CBT estimates that merely reporting data for an ILEC and a

⁹ NPRM at ¶ 27.

¹⁰ NPRM at ¶ 28.

¹¹ NPRM at ¶ 32.

¹² NPRM at ¶ 38.

¹³ NPRM at ¶ 39.

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single CLEC would result in approximately 314 reporting categories.¹⁴ If ILECs were required to collect and report data on each individual CLEC and for CLECs in the aggregate, this number would compound into thousands of individual reporting categories. It is doubtful that these reports would be useful in the majority of cases but would simply result in the generation of mountains of data that may never be read absent a particular concern about the quality of service given to a particular CLEC.

16. CBT's concern over excessive regulation is heightened by Appendix B's statistical analysis that would be required in addition to the basic OSS measurement and reporting requirements. Not only must the basic measurement data be gathered and reported, but the companies would also be required to perform a host of statistical analyses and tests to determine if the differences between various numbers are significant. CBT believes that many of the comparisons for small and mid-size companies will not be statistically valid because of the small number of data in each of the reporting categories. Given the number of discrete reporting categories and the low volume of activity that would be expected by smaller companies in many of those categories, no meaningful statistical analysis could be performed on this sketchy data.

IV. One Size Fits All Is Not Required

17. Although CBT believes the proposed requirements in this NPRM should not be required for any company, any additional requirements would be particularly burdensome and costly on small and mid-size LECs. Absent a demonstrated performance

¹⁴ By comparison, CBT's existing contracts only require measuring and reporting of 64

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shortfall, for small and mid-size companies the Commission should not require any new measurements or reports and should then only require monitoring of problem areas.

18. As detailed in Exhibit A hereto, CBT does not have the measuring capability to capture much of the data that could be required by these rules. CBT estimates that the implementation costs to install such systems would cost millions of additional dollars and would take significant time and effort to implement. This would also require ILECs to hire additional personnel on an ongoing basis just to perform the measuring and reporting tasks. These initial and ongoing costs are largely fixed and do not vary significantly by the size of the company. Thus, the burdens are much more onerous on smaller companies who have to recover these costs from much smaller customer bases. Unless the CLECs bear their appropriate share of these costs, imposition of these requirements will actually create a competitive disadvantage to smaller companies. Based upon statistics in the 1997 USTA Phone Facts, mid-size Companies only average 369,200 access lines where the estimated average number of access lines of the consolidated RBOCs, GTE, and Sprint is over 17.8 million. Large companies average 48 times the size of even the mid-size companies. On a cost per access line basis, the costs of measurement systems are significantly more burdensome on small and mid-size companies than they would be on larger companies.

V. Specific Reporting Requirement Comments On Appendix A

19. CBT's comments on the individual measurement proposals in Appendix A to

categories, even counting categories that differ from agreement to agreement.

the NPRM are contained in Exhibit A hereto. For each measurement proposed by the Commission, CBT discusses whether the measurement is being done today or could be done reasonably, as well as indicating which proposed measurements are unduly burdensome for the benefit to be derived.

VI. Specific Comments and Suggestions from CBT's Experiences

20. CBT is supportive of the idea that the data should be viewed from different perspectives to ensure that no hidden discrimination exists.¹⁵ However, the example given in this paragraph differs from CBT's view how to best measure parity. Diversity in average completion intervals between ILECs and CLECs is not an indication of discrimination. Completion intervals are affected by many contributing factors not within the control of the ILEC. Some CLECs place orders well in advance of the due date, specifying the requested due date when they place their orders. In this instance, a measurement of the average completion interval would artificially give the appearance that the CLEC was the victim of discrimination when the reason for the longer installation interval was the CLEC's advance placement of an order, perhaps to satisfy a business customer's desire to plan a change a long time in advance. Also, CBT has experienced many orders which are postponed by a CLEC on the due date, resulting in orders that have extremely long completion times because the CLEC rescheduled or canceled the order. A more appropriate measurement of parity would be the percentage of orders that were completed on the due date, and if the CLEC changes the due date, the

¹⁵ NPRM at ¶ 34.

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measure should be whether the final requested due date was met. CBT's individual interconnection agreements generally contain standard provisioning intervals for key unbundled network elements and resold services. Those intervals were deemed fair by the parties and the state commissions, so the measurement of met due dates is a better measure of parity.

21. The Commission seeks comment on the disaggregation of the report at different geographical levels.¹⁶ While CBT serves a single LATA, its LATA is unusual in that it crosses state borders. For existing regulatory requirements, CBT must segregate its data by state in order to report to the different utility commissions. Dividing by MSA would be extremely difficult, because CBT does not divide its operations this way, and it would have difficulty finding a way to manipulate the data in this manner. Further, reporting by MSA would combine data from different states and different mixes of CLECs and would be less valuable in assessing parity.

22. CBT does not believe it would be productive to attempt to measure the Average Response Time for access to Pre-Ordering information.¹⁷ CBT's systems do not provide this information, which would require a significant additional investment or replacement of systems. It would be more practical for CLECs to monitor their own experiences with response times and, in the event the response time is commercially unacceptable, the CLEC should raise the particular issue with CBT.

23. CBT believes that sub-functions that are provisioned using batch files rather

¹⁶ NPRM at ¶ 38.

¹⁷ NPRM at ¶ 43.

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than real time access ought to be excluded from any response time measurements.¹⁸

These files actually become resident on the CLECs own computers and its access time to those databases is dependent upon its own systems over which the ILEC has no control.

Providing functions through batch files will result in non-discriminatory treatment as each CLEC then can provision its systems however it likes without being hindered by any restrictions present in the ILEC's system. This manner of provisioning access would promote competition, as each carrier would be free to find its own best way to access the information.

24. CBT believes the Commission is proposing far too many categories of disaggregation.¹⁹ With respect to resale, the Commission proposes six separate reporting categories, depending upon whether the service is Residential POTS, Business POTS or Specials and whether a dispatch is required or not. Where no dispatch is required, that generally indicates a migration of existing service, which is not significantly different between Residential POTS, Business POTS or Specials. Those three categories could be reduced to a single category of resale/non-dispatch. Similarly, there is little difference between unbundled loops with and without interim number portability ("INP"). CBT's interconnection agreements treat unbundled loops and number portability as separate orders, so it would take an increased effort to associate the loops with the INP orders. In any event, CBT's territory is now mostly converted to LNP, so CBT does not expect a significant number of INP orders. To require CBT to break down orders in this fashion is

¹⁸ NPRM at ¶ 44.

¹⁹ NPRM at ¶¶ 46-49.

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counterproductive. Further, the more categories into which the data is broken, the less likely that the data in any particular category will be of statistical significance.

25. In its Average Completion Interval measurement, the Commission proposes that ILECs measure the interval from receipt of a valid order until it returns an order completion notification to the CLEC. However, for their own orders, the Commission proposes that ILECs only measure the time from order submission until the order is completed.²⁰ This measurement is inherently skewed to be longer for CLECs than ILECs because the step of notification after completion is included in the CLEC measurement, but there is no comparable step in the ILEC measurement. The Commission should either remove the notification step from the CLEC measurement or add a similar step to the ILEC measurement. CBT does not routinely provide order completion notification to its customers; generally, a customer either knows the service has been installed by being able to use it or by initiating an inquiry. CLECs are capable of doing the same for themselves without an affirmative notice from the ILEC.

26. The Commission should not impose new order status measurements. The proposed rules would require ILECs to institute new measurements of their performance that they do not even provide for themselves. CBT does not have systems to measure the time of day for many of the proposed functions. For example, CBT's interconnection agreements provide that an FOC must be delivered by 5 p.m. the next business day. CBT does not record and does not have the ability to track the specific time of day the FOC was provided. To require it to do so would impose new reporting functions that go

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beyond the requirements of its contracts.²¹ Similarly, CBT does not provide jeopardy notices even to its own service representatives. There is no parity-based reason to require CBT to provide these notices to CLECs or to measure the intervals on which such notices would be given.²² CLECs can determine the status of orders in the same manner as CBT does for itself (by placing an inquiry) and the Commission should not impose affirmative notification duties that create new functions. If there is no compelling reason to create the function, it should not be created just so it can be measured.

27. CBT agrees with the Commission that the CLECs should have the responsibility of reviewing the data.²³ In addition, CLECs should also be required to provide certain reciprocal data to ILECs. For example, CLECs should report data regarding the accuracy of their orders and the percentages of orders that they postpone or cancel after the ILEC has already issued a FOC. Also, in local interconnection agreements, each carrier must provide billing and usage data to the other to recover compensation for the transport and termination of traffic originating on the other network. CLECs must provide timely usage and billing data to ILECs and should be measured on their timeliness to the same extent that ILECs are to be measured on this performance.

28. The Commission seeks comments on how confidentiality of individual data

²⁰ NPRM at ¶ 53.

²¹ NPRM at ¶ 61.

²² NPRM at ¶¶ 62-63.

²³ NPRM at ¶ 106.

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could be preserved.²⁴ CBT agrees that CLECs who receive data on an ILEC's internal performance should be limited in their use of such information to assessing parity in performance. CLECs should not be allowed to use this information for any other purpose and should be required to maintain strict control over its dissemination. The proposed rules pose another problem, that of protection of confidentiality of the information of individual CLECs. This would be particularly difficult in smaller markets because of the low volume of activity. Where only a handful of carriers are active, disclosure of the data of a particular CLEC along with the collective data of all CLECs would allow an individual CLEC to deduce the competitive activities of the other CLEC(s) in the market. Where there is a low amount of activity, a CLEC should only receive data concerning its own activities.

29. The Commission seeks comment on whether CLECs should be given access to raw data or have the right to conduct audits.²⁵ CBT would oppose the creation of a new audit procedure for CLECs to look behind whatever performance reporting requirements are promulgated. Presumably, such a procedure would only be necessary when a CLEC contends that it is not receiving performance on a par with what is being reported. In such a case, the CLEC ought to have data of its own to substantiate such a charge. For ILECs to go back after the fact to retrieve raw data would be an extensive manual effort, and may require re-keying of information. Some raw data may be tied to proprietary information, and that would mean even further manual effort to separate the

²⁴ NPRM at ¶ 110-11.

²⁵ NPRM at ¶¶ 113-14.

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data. In any event, if the Commission does recommend any type of audit procedure, the cost of the audit should be borne by the party requesting the audit.

30. The Commission seeks comment on whether there should be a safe-harbor rule.²⁶ CBT agrees that there should be. If the data demonstrates that performance provided to CLECs is within a reasonable range of that which ILECs provide to themselves, there should be no further inquiry. However, CBT is concerned that a purely statistic-based safe harbor rule would not provide adequate protection for smaller companies who would not have a large body of data to which to apply statistical tests. Unless sufficient activity was present to generate statistically significant results, there is no logical reason to generate the data in the first place. CBT suggests that the Commission establish a presumption, based upon § 251(f)(2) of the Act, that the statistical monitoring contemplated in the NPRM is unduly burdensome on companies with less than 2% of the nation's subscriber lines. Hence, such ILECs would initially have no reporting requirements. A CLEC claiming discriminatory practices would still have the ability to raise the issue based upon its own experience, but smaller ILECs would not be burdened with detailed recordkeeping and reporting requirements that would serve no valuable purpose. Upon satisfactory demonstration by a CLEC that an ILEC had engaged in discriminatory practices, the ILEC could be required to monitor its performance as to that aspect of its performance only.

31. The Commission seeks comments on establishment of an industry standard for

²⁶ NPRM at ¶ 121.

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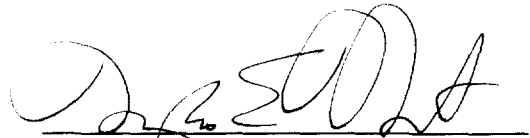
OSS interfaces and on a potential implementation time frame of six months.²⁷ CBT opposes the imposition of such standards or an implementation time frame. CBT was mandated to implement OSS interfaces on strict time schedules and invested millions of dollars in systems to do so. To impose specifications for such a system after it has been designed and built, which specifications may differ markedly from those that have been implemented, could cause small companies like CBT to have to replace whole systems, rendering the recent OSS investments useless. If a new specification would force a major system change, six months will not nearly be enough time to properly put out an RFQ, analyze the responses and select a vendor, test the system, and implement it into production.

²⁷ NPRM at ¶ 129.

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CONCLUSION

32. CBT opposes implementation of the rules proposed in this NPRM. In CBT's experience, the contract negotiation process has been proven to be successful in establishing reasonable and practical voluntary performance and reporting measurements. If there are any disputes about the quality of the ILEC's performance, the contracts and existing rules provide methods for resolving these disputes. If any unjust or discriminatory practices are suspected, then an investigation could be opened and the carrier would have the responsibility of defending itself against the charges. There is no clear and obvious basis for the Commission's action in issuing this broad, sweeping reporting proposal.



Douglas E. Hart
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